

# House File 589 - Introduced

HOUSE FILE 589  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HSB 99)

## A BILL FOR

1 An Act relating to the property tax levy for the payment  
2 of general obligation bonds issued by cities for certain  
3 flood-related purposes and including applicability  
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 76.1, subsection 2, paragraph b, Code  
2 2019, is amended to read as follows:

3 b. General obligation bonds issued for any of the following  
4 purposes may mature and be retired in a period not exceeding  
5 thirty years from date of issue:

6 (1) Purposes specified in section 331.441, subsection 2,  
7 paragraph "b", subparagraphs (18) and (19), or.

8 (2) Purposes specified in section 384.24, subsection 3,  
9 paragraphs "w" and "x", and bonds.

10 (3) Purposes specified in section 384.24, subsection  
11 3, paragraph "i", if the bonds are issued in conjunction  
12 with a project approved by the flood mitigation board under  
13 chapter 418 and if the estimated useful life of the project,  
14 independently determined by a licensed professional engineer,  
15 is at least two hundred percent of the maturity and retirement  
16 period for the bonds.

17 (4) Bonds issued to refund or refinance bonds issued for  
18 those the purposes, may mature and be retired in a period  
19 not exceeding thirty years from date of issue specified in  
20 subparagraph (1), (2), or (3).

21 Sec. 2. APPLICABILITY. This Act applies to bonds issued  
22 before, on, or after the effective date of this Act.

23 EXPLANATION

24 The inclusion of this explanation does not constitute agreement with  
25 the explanation's substance by the members of the general assembly.

26 This bill amends provisions governing the property tax  
27 levy imposed by a city to retire bonds. The bill provides  
28 that general obligation bonds issued by a city for specified  
29 flood-related purposes and bonds issued to refund or  
30 refinance such bonds may mature and be retired in a period  
31 not exceeding 30 years from the date of issue, instead of a  
32 20-year retirement period. However, the 30-year period is  
33 only applicable if the bonds are issued in conjunction with  
34 a project approved by the flood mitigation board under Code  
35 chapter 418 and if the estimated useful life of the project,

1 independently determined by a licensed professional engineer,  
2 is at least 200 percent of the maturity and retirement period  
3 for the bonds.

4     The bill applies to bonds issued before, on, or after the  
5 effective date of this Act.